



March 25, 2021

The Honorable Chair and Members of the Hawai'i Public Utilities Commission
Kekuanao'a Building, First Floor
465 South King Street
Honolulu, Hawai'i 96813

Subject: Docket No. 2021-0024 - Opening a Proceeding to Review Hawaiian Electric's Interconnection Process and Transition Plans for Retirement of Fossil Fuel Power Plants Initial Status Update

Dear Commissioners,

On March 9, 2021, the Commission posted a notice on the above said docket into the Public Benefits Fee Administrator ("PBFA") (2007-0323) docket to encourage written submission of additional stakeholder ideas. Hawai'i Energy representatives viewed the March 16, 2021 status conference to better understand the current issues facing the retirement of the AES coal plant.

By way of context, this is not a docket that Hawai'i Energy is a party to nor have been actively following. The comments and ideas presented herein are provided with the limited knowledge and understanding we currently have at this time. We present these initial ideas as a starting point and look forward to working with all of the stakeholders to help minimize or eliminate any negative impact to Hawai'i's families and business while also helping them be a part of the 100% clean energy solution.

Hawai'i Energy has two programmatic areas in its approved Triennial Plan that could help with closing the shortfall. These areas are 1) increased load reduction through energy efficiency and demand reduction, 2) energy optimization initiatives (which includes demand response ready, grid services, and energy storage). Often customer-sited solutions bridge both of these areas. This can present synergies in program design and implementation while also providing value stacking for customers when making purchasing decisions. Below you will find preliminary ideas we feel are worth further exploration by the Commission, Hawaiian Electric Company, and other stakeholders.

Hawai'i Energy could expand current energy optimization initiatives to support more integrated energy efficiency (energy efficiency + demand response ready) with smart building technologies.

1. Continue to prioritize load reduction through traditional efficiency efforts, which also provides immediate and cost effective bill savings for customers
 - a. Hawai'i Energy could increase the number of available energy savings technologies if the avoided cost of energy is higher than what we currently use to screen for cost-effectiveness. Based on our limited knowledge, we believe the avoided cost value could be significantly higher than what we are using.
 - b. Hawai'i Energy could increase incentives on technologies already in the portfolio for a limited time to accelerate energy efficient technology adoption prior to August 2022.

- c. Hawai'i Energy could offer higher incentives for projects which bundle energy efficiency and demand response ready/capable technologies that are automated and could be communicated with through an aggregator or the utility.
2. Support Bring Your Own Device initiatives across both residential and commercial customer base:
- a. Identifying and enrolling customers using knowledge of existing equipment and program rebates to reduce upfront costs.
 - b. Use existing trade ally network to assist with qualifying of commercial sites.
 - c. Support job creation with new programs and expand workforce technical training to build capacity.

During this triennial period Hawai'i Energy has been working with GridPoint and their integrated energy efficiency + energy management solution + demand response smart building technology with a number of customers in Hawai'i. While not the only provider of such services, GridPoint utilizes an automated control system to be able to participate in Automated Demand Response events alongside providing greater energy savings through improved operations and reducing wasted energy. With increased investment, focus, and incentives, Hawai'i Energy hopes this would attract other similar companies to become more active in Hawai'i while expanding the efforts of organizations which are currently active in the islands.

Hawai'i Energy recognizes before rolling out any programs there will need to be additional refinement of the details of offerings deemed prudent by the Commission. Hawai'i Energy also recognizes that the parties to this docket and the other dockets to which the March 9 notice was filed may have other ideas or information that could also be incorporated into our programming. Hawai'i Energy will remain flexible as more of the details and guidance around plans and options are provided. In the interim, Hawai'i Energy encourages interested stakeholders with solutions or program designs which would align with the areas covered in this letter to each out and begin a dialogue.

Brian Kealoha



Executive Director

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